

FOREIGN CLAIMS SETTLEMENT COMMISSION
OF THE UNITED STATES
WASHINGTON, D.C. 20579

IN THE MATTER OF THE CLAIM OF

RUDOLPH C. PYCHA

Under the International Claims Settlement
Act of 1949, as amended

Claim No. CU -1660

Decision No. CU

3056

PROPOSED DECISION

This claim against the Government of Cuba, under Title V of the International Claims Settlement Act of 1949, as amended, was presented by RUDOLPH C. PYCHA and is based upon the asserted loss sustained in connection with the ownership of a participation interest in the Cuban Venezuelan Oil Voting Trust and on asserted loss arising from the decrease in value of a stock interest in the Havana Lithographing Company of Cuba. Claimant has been a national of the United States since his birth in the United States.

As is fully set forth in the original decision involving the Cuban Venezuelan Oil Voting Trust (See Claim of Felix Heyman, Claim No. CU-0412 which is hereby incorporated herein and made a part thereof by reference), this type of claim for loss of a stock ownership is compensable under the conditions and facts set forth in Heyman. There is no need to again detail herein the reasons for such a determination or the method arrived at in determining the value per unit of participation which comes to \$0.11971 per unit.

On the basis of evidence of record, in the instant case the Commission finds that this claimant is, and since prior to November 23, 1959, has been the owner of 300 units of participation in the Cuban Venezuelan Oil Voting Trust and has suffered a loss in the amount of \$35.91 within the meaning of Title V of the Act, when the properties owned or controlled by the Trust were nationalized or otherwise taken by the Government of Cuba on November 23, 1959.

Claimant asserts that he was the owner of 100 shares of Havana Lithographing Company of Cuba Stock and that he sold the subject shares at a net loss of \$172.80. Claimant has now asserted a claim for this amount. Ownership of a stock interest in a foreign corporation vests, in the owner, two items of property: an interest in the net worth of the corporation and an interest in any claim for nationalization. Upon a sale of that stock interest, and in the absence of any specific reservation, the seller transfers all rights incident to that stock. Claimant has neither alleged nor proven that he retained any interest in a claim for the nationalization of corporate assets.

Therefore, even if the former asserted ownership were established, claimant may have had a claim for his interest in the nationalized company, but no longer owned a claim after the sale of his stock. The sole claim which may have been owned by him was for his interest in a corporation nationalized by the Government of Cuba; not for any decrease in the value of his stock shares. While claimant may have sustained a loss on the sale of his asserted interest, it was not a loss on which the Commission, under the provisions of the Act, could render a favorable determination. (See Claim of John A. Stiehler, Claim No. CU-2725, 1967 FCSC Ann. Rep. 70.)

Since claimant has not established that he owned or retained any interest in a claim for the nationalization of the Havana Lithographing Company of Cuba, and since a claim for the decrease in value of his asserted stock would not be compensable under the Act, this part of the claim must be, and is, denied.

CERTIFICATION OF LOSS

The Commission certifies that RUDOLPH C. PYCHA, suffered a loss, as a result of actions of the Government of Cuba, within the scope of Title V of the International Claims Settlement Act of 1949, as amended, in the amount of Thirty-five Dollars and Ninety-one Cents (\$35.91) with interest at 6% per annum from the dates of loss to the date of settlement.

Dated at Washington, D. C.,
and entered as the Proposed Decision
of the Commission

SEP 11 1968

Leonard v. B. Ault
Leonard v. B. Ault, Chairman

Theodore Jaffe
Theodore Jaffe, Commissioner

Sidney Treiberg
Sidney Treiberg, Commissioner

NOTICE TO TREASURY: The above referenced securities may not have been submitted to the Commission or if submitted, may have been returned; accordingly, no payment be made until claimant establishes retention of the securities for the loss here certified.

The statute does not provide for the payment of claims against the Government of Cuba. Provision is only made for the determination by the Commission of the validity and amounts of such claims. Section 501 of the statute specifically precludes any authorization for appropriations for payment of these claims. The Commission is required to certify its findings to the Secretary of State for possible use in future negotiations with the Government of Cuba.

NOTICE: Pursuant to the Regulations of the Commission, if no objections are filed within 15 days after service or receipt of notice of this Proposed Decision, the decision will be entered as the Final Decision of the Commission upon the expiration of 30 days after such service or receipt of notice, unless the Commission otherwise orders. (FCSC Reg., 45 C.F.R. 531.5(e) and (g), as amended, 32 Fed Reg. 412-13 (1967).)